

**House File 2366 - Introduced**

HOUSE FILE 2366  
BY WORTHAN

**A BILL FOR**

1 An Act relating to the classification of certain multipurpose  
2 property for property assessment and taxation purposes.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 441.21, Code Supplement 2009, is amended  
2 by adding the following new subsection:

3 NEW SUBSECTION. 11A. *a.* Beginning with valuations  
4 established on or after January 1, 2011, as used in this  
5 section, "*residential property*" shall include any unit of a  
6 multipurpose building that is occupied by the taxpayer as  
7 a homestead, as defined in section 425.11, and includes a  
8 percentage of the land used as part of the building that is  
9 equal to the percentage of the multipurpose building's total  
10 square footage occupied by the unit. For purposes of this  
11 subsection, "*multipurpose building*" means a building containing  
12 four separate units that is used in part for commercial or  
13 industrial purposes.

14 *b.* The other units in the multipurpose building, including  
15 a percentage of the land that is equal to the percentage of the  
16 multipurpose building's total square footage occupied by those  
17 units, not classified and assessed pursuant to paragraph "*a*"  
18 shall be classified and assessed together as a separate parcel.

19 EXPLANATION

20 This bill provides that, for purposes of property tax  
21 assessment, residential property includes a unit of a  
22 multipurpose building that is occupied by the taxpayer as a  
23 homestead and a percentage of the land that is equal to the  
24 percentage of the multipurpose building's total square footage  
25 occupied by the unit. The bill defines "*multipurpose building*"  
26 to be a building containing four separate units that is used in  
27 part for commercial or industrial purposes.

28 The bill also provides that the other units of the  
29 multipurpose building, including a proportionate share of the  
30 land, shall be classified and assessed together as a separate  
31 parcel.

32 The bill applies to property valuations established on or  
33 after January 1, 2011.